



APPLICATION FOR AN AFFILIATE CERTIFICATE OF CONSENT TO SELF INSURE AS A MEMBER OF A GROUP SELF INSURER

Read instructions before completing.

All questions must be answered. If not applicable, enter "N/A".

Workers' compensation insurance must be maintained until certificate is effective.

To the Director of Industrial Relations:

The undersigned private employer hereby applies for an Affiliate Certificate of Consent to Self Insure as a member of a group self insurer to secure the payment of workers' compensation as provided by California Labor Code Section 3700.

The following information is submitted, under penalty of perjury, for the purpose of procuring an Affiliate Certificate of Consent to Self Insure, which may be given upon proof, satisfactory to the Director of Industrial Relations, of ability to self insure and to pay compensation that may become due to employees as a member of a group self insurer.

1. (a) NAME OF APPLICANT EMPLOYER: _____

(If a corporation, show name exactly as it is on the Certificate of Status)

(b) Federal Tax Identification Number: _____

2. Principal California office address: _____

3. Home office address: _____

4. (a) The applicant employer is: ☐ A Corporation ☐ A Partnership ☐ Sole Proprietorship ☐ LLC or LLP

(b) **IF A CORPORATION:**

Chartered under laws of state of _____ Date _____

(c) **IF A SUBSIDIARY CORPORATION:**

Name of Parent company _____

Address _____

Parent company's percentage of stock ownership _____ Date _____

(d) **IF A PARTNERSHIP, LLC OR LLP:**

Name all partners and designate whether they are general, special, limited, etc.

Name

Address

Designation

5. Nature of business _____

6. Does this applicant have any corporate subsidiaries? ☐ Yes ☐ No
 NOTE: Subsidiary must file its own application.

| <u>Subsidiary Name</u> | <u>Address</u> | <u>Operation</u> |
|------------------------|----------------|------------------|
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7. Does this applicant currently have a Certificate of Consent to Self Insure in California? ☐ Yes ☐ No
 If yes, what is current Certificate Number: _____

8. Number of your California employees to be covered by the proposed self insurance plan: _____

9. Will the number of your California employees covered under the proposed self insurance plan be materially increased or decreased in the next 12 months?
☐ Yes ☐ No

If yes, by how many? _____ ☐ Increase ☐ Decrease

10. At the date of this application, is there any litigation or legal proceeding pending, or threatened, the result of which might substantially adversely affect the financial condition, business or operations of the applicant or any of its subsidiaries?
☐ Yes ☐ No

If Yes, explain _____

11. Indicate net profit or loss after taxes for the last five years.

| <u>Year</u> | <u>Amount</u> |
|-------------|---------------|
| 19 _____ | \$ _____ |
| 19 _____ | \$ _____ |
| 19 _____ | \$ _____ |
| 20 _____ | \$ _____ |
| 20 _____ | \$ _____ |

12. Name of Group Self Insurer that the applicant employer proposes to join as a member.

Name _____
 Address _____
 City _____ State _____ Zip + 4 _____
 CERTIFICATE NO. _____

13. Complete the following with reference to applicant's California workers' compensation policies for the past 3 years.

- (a) Name of current carrier _____
- (b) Current policy termination date _____
- (c) Most recent three years' experience by policy _____ period (include most recent partial year to most current quarter)

| Year | Payroll | Premium Before Dividend | Experience Modification | Losses Incurred | Loss Ratio |
|------|---------|----------------------------|----------------------------|--------------------|------------|
| | | | | | |
| | | | | | |
| | | | | | |

14. Will a policy covering any of applicant employer's California workers' compensation liability other than excess insurance be carried?

☐ Yes ☐ No

If yes, what will be the nature and scope of this coverage? _____

15. Name of individual responsible for workplace injury and illness prevention program.

(a) Name _____ Title _____

Address _____

_____ Telephone Number (____) _____

(b) What percentage of this individual's time is spent on injury and illness accident prevention? _____

If more than one individual is responsible for injury and illness prevention, attach a list to this application, giving the information requested in Items (a) and (b) above.

16. REQUIRED ATTACHMENTS:

- (a) A current copy of the applicant's audited Financial Statement complete with all schedules and notes.
NOTE: If the report of the financial condition is dated more than twelve (12) months prior to the date of this application, the Director may require interim financial statements (balance sheet and profit and loss statement) certified by the appropriate finance officers and dated not less than three (3) months from the date of this application.
- (b) Resolution to be Self Insured as a Member of Group Self Insurer.
- (c) Executed Form A4-8, Indemnity Agreement.
- (d) Certificate of Status for Group Member from Secretary of State.
- (e) An original, executed Indemnity Agreement and Power of Attorney of Joint and Several Liability between the Group Self Insurer and the proposed member.
- (f) An Agreement of Assumption and Guarantee of Liabilities of Workers' Compensation Liabilities for Group Members for each, executed by the Group Self Insurer.

I certify under penalty of perjury that I am acquainted with the affairs of the said applicant employer to which representation and statement set forth in the foregoing application attachments relate, that I have read the application and attachments, know the contents thereof and that said representations and statements contained therein are true to the best of my knowledge, information and belief.

Date _____ Signature _____

(Authorized by Resolution to be Self Insured)

**GROUP RESOLUTION AUTHORIZING APPLICATION TO
THE DIRECTOR OF INDUSTRIAL RELATIONS, STATE OF CALIFORNIA
FOR A CERTIFICATE OF CONSENT TO SELF INSURE WORKERS' COMPENSATION LIABILITIES**

At a meeting of the Board of Trustees of _____

(enter name of applicant's group corporation)

a corporation organized and existing under the laws of the State of _____,

held on the _____ day of _____ 20 _____,

a quorum being present, the following Resolution was adopted:

RESOLVED that the _____

(enter titles of authorized corporate officers)

be and they are hereby severally authorized and empowered to make application for a Certificate of Consent to Self Insure to the Department of Industrial Relations of the State of California, and to execute any and all documents required for such application, including the Agreement and Undertaking for Security Deposit, and Agreement to Abide by Self Insurance Regulations.

I, _____, the undersigned
Secretary of the said _____, a corporation,
hereby certify that I am the Secretary of said corporation, that the foregoing is a full, true and correct copy of the resolution duly passed by the Board of Trustees thereof at a meeting of said Board held on the day and at the place therein specified, and that said resolution has never been revoked, rescinded, or set aside, and is now in full force and effect.

IN WITNESS WHEREOF: I HAVE HEREUNTO SET MY HAND AND THE CORPORATE SEAL OF
SAID CORPORATION THIS _____ DAY OF _____ 20 _____.

(SEAL)

Secretary



State of California
Department of Industrial Relations
SELF INSURANCE PLANS

In the Matter of the Certificate of

A Group Self Insurer,

**INDEMNITY AGREEMENT
AND POWER OF ATTORNEY**

WHEREAS, _____ ,
hereafter referred to as the "Group Member," is making or has made application to the Director of Industrial Relations for an Affiliate Certificate of Consent to Self Insure pursuant to California Labor Code Sections 3700 through 3705 as a member self insurer of a group of employers; and

WHEREAS, a group of employers have organized and formed a non-profit mutual benefit corporation known as

hereafter referred to as the "Group Self Insurer," for the sole purpose of being a workers' compensation group self insurer pursuant to California Labor Code Section 3700; and

WHEREAS, the aforementioned Group Self Insurer is making or has made application to the Director of Industrial Relations for a Certificate of Consent to Self Insure pursuant to California Labor Code Sections 3700 through 3705 as a group self insurer for a group of employers; and

WHEREAS, the Group Members of said Group Self Insurer have designated a Board of Trustees consisting of _____
members or _____

to direct the affairs of said Group Self Insurer and to select or terminate membership in the Group Self Insurer, subject to the approval of the Director of Industrial Relations as set forth in California Labor Code Sections 3700 through 3705; and

WHEREAS, the Group Members and the Group Self Insurer understand and agree that the issuance of a Certificate of Consent to Self Insure to the Group Self Insurer and the issuance of an Affiliate Certificate of Consent to Self Insure to each Group Member is subject to the following conditions, to wit:

I. The Group Self Insurer and each of its Group Members are jointly and severally liable for paying and securing liabilities of the Group Self Insurer and its Group Members for the payment of any and all compensation liability required by Labor Code Sections 3700 through 3705 of any and all employees of any Group Member of the Group Self Insurer and/or of the Group Self Insurer itself, provided the compensation liability results from an occurrence with a date of injury during the period of membership in said Group Self Insurer; and

(Continued on next page)

II. The Group Self Insurer shall have authority to enforce this Indemnity Agreement against each and every one of its Group Members or former Group Members. In the event of a failure of the Group Self Insurer to enforce the rights of indemnity as set forth herein, and after reasonable notice to the Group Self Insurer or any Group Member or former Group Member by the Director, or his/her duly appointed agents, the Director of Industrial Relations shall have the independent right to enforce the terms of this Indemnity Agreement against any and all of the Group Members or former Group Members for the payment of all compensation liabilities, and all liabilities of the Group Members for any delinquent contribution and/or assessments; and

III. The Board of Trustees of the Group Self Insurer shall designate and appoint a Group Administrator empowered to accept service of process on behalf of the Group Self Insurer itself and for any of its Group Members or former Group Members. Said Group Administrator shall be authorized to act on behalf of the Group Self Insurer and its Group Members in all transactions relating to or arising out of the operation of the Group Self Insurer. Said Group Administrator shall have responsibility and authority for the maintenance of an effective injury and illness prevention program for the Group Self Insurer and all Group Members, the posting of security deposit to secure all liabilities of the Group Self Insurer, the employment of legal counsel, accountants, actuaries, claims administration services, and any other services deemed necessary. Said Group Administrator shall also have the authority to contract for specific excess and/or aggregate excess insurance coverage for the Group Self Insurer and all Group Members. The Group Administrator shall have the authority to bind the Group Self Insurer and all Group Members jointly and severally; and

IV. Any change in the identity of the Group Administrator shall be immediately communicated to the Manager of the Office of Self Insurance Plans. In the absence of a duly appointed Group Administrator, any Trustee of the Board of Trustees of the Group Self Insurer shall be authorized to accept service of process on behalf of the Group Self Insurer itself, and of all Group Members; and

V. In the event that the duly appointed Group Administrator and/or the Board of Trustees of said Group Self Insurer fails to maintain the financial solvency of the Group Self Insurer, or defaults on the payment of compensation liabilities due from the Group Self Insurer, or fails to post the required security deposit to secure the compensation liabilities of the Group Self Insurer, the Director of Industrial Relations shall have the authority to appoint a Conservator to act in place of the Group Administrator; and

VI. The Group Administrator shall act as the true and lawful attorney-in-fact for the use and benefit of the Group Self Insurer and its Group Members and shall have the power to:

Ask, demand, sue for, recover, collect and receive all such sums of money due, debts, interest, dividends, and any demands whatsoever as are or shall hereafter become due, owing, payable to the Group Self Insurer and its Group Members, and shall have the use and take lawful ways and means in the name of the Group Self Insurer and its Group Members for recovery thereof, and to compromise and agree for the same and other sufficient discharges for the Giving and Granting unto said Group Administrator attorney-in-fact full power and authority to do and perform every act necessary, requisite or proper to be done as a Group Self Insurer and/or its Group Members could lawfully do, with full power of substitution and revocation, hereby ratifying and confirming all that the Group Administrator attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

Executed at _____ ,

this _____ day of _____ , 20 _____

by

* Signature: _____

Typed Name & Title: _____

Company Name: _____

(* notarize signature)

ATTACHMENT 1
to the Agreement of Assumption and Guarantee of Workers' Compensation Liabilities for Group Members
for

(Name of Group)

The member employers of the above named group are:

| | Legal Name | Federal Tax ID Number |
|----|------------|-----------------------|
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| 25 | | |

ATTACHMENT 1
(Continued)

(Name of Group)

The member employers of the above named group are:

| | Legal Name | Federal Tax ID Number |
|----|------------|-----------------------|
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Check List for Adding Members to Existing Private Group

- _____ Application Form A4-3M (Rev. 1/94) from each member of the group.
- _____ A current copy of the applicant's certified, independently audited, financial statement complete with all schedules and notes; OR
A current copy of the applicant's reviewed financial statement prepared by a certified public accountant, complete with all schedules and notes, provided the private group self insurer can demonstrate and maintain a consolidated minimum net worth twice that required in Section 15203.2(f).
Note: If the report of the financial condition is dated more than 12 months prior to the date of this application, the Director may require an interim financial statement certified by the appropriate financial officer and dated not less than 3 months from the date of this application.
- _____ Resolution to be Self Insured as a Member of the Group Self Insurer.
- _____ Indemnity Agreement and Power of Attorney, as required in Section 15479.
- _____ Certificate of Status for Group Corporation from Secretary of State.
- _____ Filing fee of \$500.00 for the first member group applicant. Filing fee for each member filed after the first member at the same time is \$100.00 each.
- _____ An Agreement of Assumption and Guarantee of Liabilities of Workers' Compensation Liabilities for Group Members [Form A4-3G (Rev. 1/94)] for each or listing each proposed group member and any subsidiary or affiliate of each proposed group member executed by the group administrator of the group applicant, as required in Section 15203.1 of these regulations.
- _____ Attachment 1 to the Agreement of Workers' Compensation Liabilities for Group Members.
- _____ An original, executed Indemnity Agreement and Power of Attorney of Joint and Several Liability between the group applicant and each proposed member pursuant to Section 15479 of these regulations.